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# The CIA Agent Who Sold Out

*Fired From Agency, Edward Howard Gave FBI Watchers the Slip*

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Two Americans were identified as traitors last year by Vitaly Yurchenko, the mysterious Soviet intelligence officer who defected to the West and later returned to the Soviet Union. The more notorious of the two, Ronald W. Pelton, a former technician at the National Security Agency, is being tried on espionage charges in Baltimore.

The second, Edward L. Howard, the first CIA agent known to have been bought off by the Soviet Union, may have done as much damage to the operations of U.S. agents in Moscow as Pelton did to U.S. high-technology interception of Soviet communications. But Howard got away last fall—after embarrassing both the Central Intelligence Agency and the Federal Bureau of Investigation and raising questions about their handling of potential security leaks inside American intelligence agencies.

Howard, though a fresh recruit to the CIA, was briefed on the details of most, perhaps all, of the secret operations of the CIA's Moscow station in preparation for his assignment to the Soviet capital as a handler of agents-in-place. But before he took up his assignment, the CIA reluctantly concluded on the basis of a polygraph test that Howard could not be trusted with that sensitive job. A subsequent investigation turned up previous drug use, drinking, womanizing and a history of deception that persuaded CIA officials to take the unusual step of firing Howard from the agency.

Within a year—and despite the CIA officials' conviction that they had him under control—Howard began to sell the secrets he knew to the Soviet Union, apparently causing the arrest in Moscow of a Soviet engineer who had been providing information to the United States (he is presumed dead), and severely disrupting U.S. espionage operations in the Soviet capital.

Tipped to Howard's betrayal long after the fact by Yurchenko, the FBI moved on the former CIA

agent last fall, when Howard and his wife, Mary, who had also been trained to spy in Moscow, were living in Santa Fe, N.M. But Howard, using a spy-game ruse, convinced the FBI that he would cooperate with its investigation if given a couple of days to collect his thoughts. He then fled, disguising his escape by using countersurveillance techniques taught to him and his wife by the CIA.

Still using credit cards issued before he disappeared, Howard is now at large, perhaps somewhere in Central America, according to intelligence sources and acquaintances of the Howards in Santa Fe.

Howard's case burst into public last fall, when he disappeared. But the details of his story—which suggest he did vastly more damage than previously indicated—have not been told. They were reconstructed from interviews and court records here and in New Mexico. Many sources asked not to be quoted by name. Mary Howard refused to be interviewed. The CIA and the FBI declined to respond to specific questions.

Although the story resembles something concocted by Len Deighton or John le Carre, it is not fiction. Howard compromised key U.S. agents and espionage techniques that took years to establish. His case represents one of the most serious failures of U.S. counterintelligence. CIA and FBI sources criticized each other for Howard's escape, and FBI agents in New Mexico have been reprimanded for their handling of the case.

Howard's troubles also may be symptomatic of a continuing problem. Some intelligence sources believe that other individuals, brought into the CIA with similar biographies and attributes, may also turn out to be "bad apples," as one source put it.

Former friends of Howard and intelligence sources discount recent rumors that Howard traveled to the Soviet Union and committed suicide. "That's not in his character," one Santa Fe friend said recently;

sources in Washington agreed.

"He liked to live on the razor's edge," said one of the Santa Fe people who knew Howard best. He had a quick mind, could manipulate people and lie when necessary. He was an outdoorsman, a gun dealer and collector, a hard drinker with a nasty temper when he consumed too much, a drug user, a man who liked to turn a quick dollar, and a womanizer. Many of these characteristics were part of the "profile" of an ideal CIA undercover agent and thus help explain why the agency hired him; they also were the reasons, in the end, why he was fired.

Howard had looked forward to working for the CIA. The travel and potential for excitement suited him.

He had graduated cum laude from the University of Texas, spent two years with the Peace Corps in Colombia and then earned a master's degree in business administration at American University. He then spent two years in Lima, Peru, with the Agency for International Development (AID) planning and developing loan projects.

The Soviet division of the CIA has long considered itself an elite group within the operations directorate of agency. To do contact work in Moscow, however, the agency needed someone who could pass as a new Foreign Service officer without an obvious past connection to CIA. Howard's biography filled that bill.

The agency was aware that Howard had a history of drug use when he was hired in January 1981. After graduating from the University of Texas in 1972, Howard is reported to have told CIA officials that he used drugs during his two years in Cali, Colombia, with the Peace Corps. He also told them that he continued as a recreational user while at AID. Howard promised the CIA that he had stopped by the time he joined the agency.

Ed and Mary Howard, like many other couples, both took CIA training to prepare for the Moscow assignment. They both studied the Russian language and together took surveillance and countersurveil-

lance courses so they could work with each other on their new assignment.

The Howards were to be a team in Moscow, a practice the CIA often follows. Mary Howard did better in some subjects than her husband, which riled him. Howard, however, led the class in countersurveillance, the techniques practiced to be certain neither he nor his partner were being followed and in the ability to plan an escape, if that were needed.

Once selected for Moscow, Howard was taught how U.S. agents operate there, and was given some identifying data, but not the names, of the individual agents with whom he would deal. Unlike most CIA divisions, which narrowly compartmentalize what someone is told, the Soviet division had a practice of opening up more areas of information to its newcomers as a sort of initiation into this "holiest of holies"—the most selective part of the CIA's operations directorate.

Because making discreet contacts is extremely difficult in a tightly controlled city such as Moscow, the CIA, helped by the FBI, had spent years carefully working out special procedures for them. Contacts with Soviet citizens were sharply limited to the most important sources. Most Soviet citizens with whom the CIA had a relationship were only seen when they had a chance to get out of the Soviet Union.

After Howard's training was ended, he was given a polygraph test. Howard failed on "deception," according to one source, reportedly attempting to hide troubles in his marriage and other minor matters.

The Soviet division of CIA then decided not to take a chance, given Howard's earlier drug problems. Howard was passed back to personnel, which was to find another position in the agency for him.

Personnel took a closer look into Howard's activities around Washington while he was in training and found that he had a serious drinking problem, and even on one occasion stole some money out of a woman's purse that had been left on the airplane seat next to him. When confronted, Howard reportedly said he did it for the thrill rather than the money.

Howard was devastated by the loss of his Moscow assignment, according to intelligence sources. Once, sources said, he got drunk

and parked his car outside the house of the CIA official in charge of the Soviet division, and got into a shouting match with him. While his fate was being decided, Howard told CIA officials in 1984, he stood outside the Soviet Embassy in Washington and toyed with the idea of going in. He did call a secret Soviet telephone number and asked to speak to a KGB agent, but hung up before anyone came on the line.

After its investigation, the CIA personnel office recommended an unusual step: separating Howard from the agency. Few people are fired from the CIA, but it is one agency whose director is legally authorized to dismiss employees, who are denied the right to appeal. Howard reportedly was stunned by the decision and bitter about the way he was treated.

In late May 1983, Howard went to Santa Fe. He answered a help-wanted ad for a job in the Legislative Finance Committee (LFC) of the New Mexico state legislature, which needed someone with an economics background to project future state revenues.

Howard told Curtis Porter of the LFC that he was leaving the Foreign Service because he had declined to take an assignment in the Soviet Union, no place, he said, for him and his wife to raise their newborn son. Porter said recently that he neither asked Howard for references nor checked his curriculum vitae. He believed Howard was suited for the job, and he liked his open personality.

According to co-workers, Howard was bright and quickly took to his job. He initially told no one of his CIA background, and soon had gained the trust of the New Mexico legislators for whom he worked. Within a few months that was to come in handy.

One day in February 1984, after an argument with his wife, Howard got drunk in a local bar and picked a fight with three men who he had followed home in his jeep. In the course of the altercation, Howard pushed a gun through a window and waved it at one of the men. Howard's hand was shoved and he pulled the trigger, shooting a bullet up through the roof of the car. Picked up shortly afterward by a policeman, Howard was booked on three counts of assault with a deadly weapon.

The following Monday, when he returned to work with a bandage on his face, Howard pulled one of his most friendly co-workers into his office and asked him for the name of a lawyer. Howard explained that he had done secret work for "the company," but did not explain that meant the CIA and the friend did not know this term. The colleague recommended an attorney.

Howard's assault case was handled unusually, according to his friends. After long negotiations involving letters and other representations from both New Mexico legislators and unidentified Washington officials, Howard in April 1984 pleaded guilty to aggravated battery and was sentenced to five years' probation with the understanding that he would undergo psychiatric treatment.

In addition, Howard had to pay damages done to the car by the bullet and \$7,500 to one of the victims to settle a civil suit.

CIA officials learned of the case almost immediately after Howard's arrest, according to sources. Although no reference appears in court records, the agency made some representations to the judge handling it, sources said.

Howard, according to friends, had little trouble paying the \$7,500, and, in the words of one, "always had enough money for his style of life."

In the late summer or early fall of 1984, the Howards went to Europe, according to friends. According to an FBI affidavit filed in U.S. District Court last October, Howard was in St. Anton, Austria, on Sept. 20, 1984.

Before leaving on this first European trip, Howard showed one friend a catalogue of Rolex watches and asked him which he thought was best. When they returned, Howard displayed a new Rolex, some gold kruggerands and Soviet cigars. One friend said the watch was worth \$1,500, and recalled that Howard told him at the time "a friend in Europe helped me get it."

In October 1984, on a business trip to Boston with his LFC boss, Porter, Howard had a few drinks before dinner and became boisterous, offending others at the table. He excused himself to go up to the room he was sharing with Porter.

When Porter arrived an hour later, the room was a mess. Howard had packed his bags, paid his half of the bill and made reservations to fly to Europe, Porter said. "He then realized he didn't have a passport" with him, Porter said, and apparently decided he had to give some explanation.

Porter quoted Howard as saying, "Mary understands. I try to take off for Vienna anytime I get drunk." He then told Porter about his employment with the CIA.

"He confessed he'd lied when he was hired," Porter said, and then described himself as "a persecuted ex-employee who had hired a Washington lawyer and had a lawsuit pending" against the agency.

Porter said Howard "obviously had fairly serious personal problems," but he later learned that he was seeing a psychiatrist on a regular basis and "the CIA was paying for it."

Howard made another trip to Europe in the fall of 1984. At the end of this trip and on several other occasions in late 1984, Howard asked a friend to drive him to his bank so he could deposit kruggerands he was collecting.

In March 1985, the Howards took another trip to Europe; Germany, they told friends.

In May 1985, Howard showed one acquaintance some disappearing paper that he said he had received from a friend in the State Department. He demonstrated its use by putting it in a glass of water. The paper disintegrated immediately, the acquaintance said recently, and Howard joked that it would be good for writing notes to New Mexico legislators.

In the spring and early summer of 1985, Howard's friends began to notice some changes in his demeanor. He appeared "footloose," to one, as if he were looking for a change and Santa Fe was too quiet for him.

Relations with his wife, which had been strained, grew openly hostile, according to friends. A relationship with another woman, which had faded in late 1984, seemed to be resuming. The one stable focus of his life was his son, Lee, who was then 2 years old. "He was much closer to Lee than Mary," one

neighbor said.

In early summer, 1985, Howard actively was looking for another job, specifically one outside the United States, one close friend recalled. He frequently asked for investment ideas or new ventures, saying he had money he was prepared to invest.

In early July, he told several friends he was taking out a large life insurance policy, one that required several examinations at a local hospital. The beneficiaries were to be Lee and his wife, he told a friend.

At about the same time, Howard asked his friend to drive him to the bank so he could take out his kruggerands. Howard then described his plan to turn the gold over to a local stock brokerage firm to establish an annuity fund for Lee.

He also showed this friend pictures of expensive Russian fur hats and asked him if he wanted one. He was ordering them, he said, for himself and Lee.

At roughly the same time, in late July, Vitaly Yurchenko, then a colonel in the Soviet KGB, left his colleagues during a stroll in Rome and sought asylum in the U.S. embassy. Sometime in August, one source said, Yurchenko described to the CIA the only agent the KGB had ever obtained from inside the agency, a man who had met with KGB agents in Austria in September 1984. Yurchenko knew him only as "Roger," this source said, but when he called him an ex-CIA employee who had been scheduled for Moscow, the agency immediately knew it was Howard, "without even searching their files."

Back in Santa Fe, on July 27, the day before Yurchenko's defection, Howard displayed his recently received Russian fur caps to his friends and he and his son modeled them while wearing shorts in the hot New Mexico daylight.

In early August, Howard and his wife traveled to a conference in San Francisco and then took a side trip to Seattle. The FBI was following them.

On Sept. 19, FBI agents went to Howard's new boss at the Legislative Finance Committee, Phillip Baca, and asked for Howard's employment and travel records. They said it was a matter of national security, but assured Baca that it did not involve his work with the New

Mexico legislature.

The next morning, a Friday, the agents met with Howard. According to one source, Howard asked for time to meet with his lawyer.

Howard had to make a presentation to the LFC that morning and carried it off with aplomb. He also told Baca that the FBI would be asking him questions about his travel. Sometime later in the day, Howard told the FBI agents that he would cooperate with their inquiry. He said he would cancel a planned Monday trip to Austin, Tex., and make himself available for interrogation.

That Friday night FBI agents staked out the Howard house in El Dorado, a housing development 10 miles outside Santa Fe. On Saturday morning, Howard went to his office at the legislative office building and worked at his computer. FBI agents followed him.

He apparently wrote a letter that morning to Baca, saying he was resigning from his position at LFC "for personal reasons." Howard enclosed his office keys and a handwritten letter to his wife, Mary, in the same envelope. It instructed her to "sell the house, jeep, etc. and move in with one of our parents and be happy." He also asked that she tell his son, Lee, "I think of him and you each day until I die."

The letters were left on Baca's desk.

On Saturday evening, at about 10 p.m., according to one source, Mary Howard left her house with Lee. She had called a neighbor and said she had an errand to run while her husband went to sleep. FBI agents parked across from the house saw Howard in his pajamas and bathrobe wave goodbye to his son.

The roads in the El Dorado development are dirt and run in circles between two hardtop streets that lead to the main highway. Slow driving is required because of deep ruts and sharp curves.

One FBI car covering the back of the Howard house followed Mary Howard while another car in front remained to watch for Howard.

Mary Howard dropped off her son at a neighbor's, then came back by her house and around the curving road that led behind it and toward the main highway. Howard went out the back and sneaked

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across the space leading to a curve in the road. As his wife drove slowly by, he got in without being seen by the FBI car that was following, but whose view was blocked because of the curve.

Howard later got out near his office building and Mary Howard went home. He apparently changed his clothes in his office, and vanished into the night.

The next morning, Sunday, Mary Howard took Lee out to play in the neighborhood and spent the rest of the day at home with the FBI surveillance crew parked around her house.

Late Sunday afternoon, Baca, unexpectedly, went to his office to prepare for a Monday meeting and found Howard's letters. He went home and called the FBI agents who appeared surprised and asked him "to sit tight." Baca also called Mary Howard and told her of the letters.

She sounded calm, and later they talked about Howard's retirement money. One of Howard's colleagues said that if he hadn't written a resignation letter, the state would not have released his retirement funds to her. Intelligence sources said this

indicated Howard had carefully planned his escape.

On Monday, Mary Howard maintained to friends that she was unaware that her husband had fled until late Sunday. Later, however, she told the FBI that she had helped him escape.

For more than a week, Mary Howard was shuttled to Albuquerque for interrogation. Cartons of photographs that she had taken were put before her so she could identify all those in the pictures.

CIA officials, described as the Howards' superiors, visited her one day. One afternoon, sources said, Mary Howard received a telephone call from someone who said he had seen her husband alive in Helsinki. Later, bills appeared on their credit cards for expenses Howard had incurred in places including Helsinki.

Recently, FBI agents tried to get her to cut off his use of the cards and she refused. The agents went so far as to ask neighbors to convince Mary Howard to cancel his credit cards.

Mary Howard has since sold her house. Neighbors said she is planning to leave Sante Fe and move to a new house with her parents in Minnesota.